HBL announces new pay package

By Our Staff Reporter

KARACHI, Dec 31: The Habib Bank on Thursday announced the new pay package for 22,000 clerical, non-clerical, officers and executives.

The Habib Bank management issued the circular of revised pay package on Thursday after more than a fortnight of talks with representatives of various trade unions and associations — the Habib Bank Employees Federation, Habib Bank Workers Front of Pakistan, Habib Bank Officers Welfare Association, Habib Bank Officers Federation Pakistan and the Executive Association of Habib Bank.

Announcing the new pay package, the bank said it had already granted a cost of living increase from Jan 1, 1998, amounting to 120 per cent of the basic pay for clerical staff, 130 per cent of basic pay for non-clerical staff, 100 per cent of basic pay for officers and 90 per cent of basic pay for executives.

The bank's revised pay package for 10,848 clerical and non-clerical employees has been achieved following a memorandum of agreement signed between the Habib Bank management and the Habib Bank Employees Federation of Pakistan representing 44 collective bargaining agents on Dec 19.

As a result of the memorandum, the bank claimed that the revised pay package had doubled the basic pay of the clerical and non-clerical employees from Grade 1-7 (totalling Rs2,575 to Rs4,825) by merging basic pay, house rent allowance, ad hoc increase, cost of living allowance, washing allowance, monthly medical expenses and conveyance allowance.

It further announced that it had decided to give across the board increase at the rate of 12.5 per cent of revised basic pay effective from Jan 1, 1999. Pay increases to be given next year would be "strictly on the basis of performance".

In addition, the bank announced an increase in house rent allowance, utilities allowance, medical allowance and medical ceiling for consultation/hospitalisation.

The secretary-general of the Employees Federation, Mohammed Ali Memon, whose federation was a signatory to the memorandum, said the 12.5 per cent revised increase in basic, coupled with other benefits would give the clerical and non-clerical employees about 20-25 per cent increase in pay in 1999.

The Habib Bank Workers Front Pakistan, led by Habibuddin Junaidi, however described the memorandum as a "poor agreement", which would not increase the take home salary for clerical and non-clerical workers.

At the same time, the Habib Bank issued the revised pay scales for officers and executives, showing their basic pay had more than doubled through the merging of basic pay, special pay, house rent, conveyance allowance, maintenance allowance, ad hoc increase, cost of living allowance, utility allowance, entertainment expenses, telephone bills, servant salaries, garden expenses and medical expenses.

However, the general secretary of the Executive Association of Habib Bank, Abdul Wahab, said that "the revised pay package was not a new package and had merely adjusted interim relief given to employees earlier this year".

He maintained that the package had failed to account for the rapid inflation which occurred this year.